

Prepared by/Return to:
Sparkman-Zummach, P.C.
Attorneys at Law
Post Office Box 266
Southaven, MS 38711-0266
(662) 349-6800

10/24/05 3:19:27
BK 2,336 PG 40
DE SOTO COUNTY, MS
W.E. DAVIS, CH CLERK

050915

SUBORDINATION AGREEMENT

THIS AGREEMENT made this 20th day of October, 2005, by and between Frank Stockdale Carney and Trent Hitchcock, Trustees of the Trent Hitchcock Irrevocable Trust (hereinafter referred to as "Note Holder") and Scott McKnett and Mitchell Shaw (hereinafter referred to as "Borrower").

The parties recite and declare that:

a) Note holder has a lien in the amount of \$180,000.00 against Borrower recorded in Book 2,213, Page 379 the Office of the Chancery Court Clerk of DeSoto County, Mississippi, covering the following described property:

Exhibit "A"

b) Subsequently Borrower formed MSM Land Development Group, A Mississippi Limited Liability Company, composed of Scott McKnett, Mitchell Shaw and Bubba Mann as Members (hereinafter referred to as "LLC") and has transferred said property to LLC.

c) LLC desires to obtain a development loan in the amount of \$2,416,000.00 from Merchants and Farmers Bank (hereinafter referred to as "Lender"), but Lender requires that such loan be secured by a Trust Deed on said property that will be prior to Note Holder lien.

d) Note Holder is willing to subordinate their lien insofar as it encumbers the above described premises to the aforesaid Trust Deed that LLC will execute in favor Lender in order for LLC may obtain such development loan from Lender.

For the reasons set forth above, and in consideration of the mutual covenants and promises of the parties hereto, it is agreed as follows:

1. Subordination. As an inducement to Lender to grant such loan to LLC, Note Holder does hereby acknowledge the creation of the limited liability company and the transfer of said property to LLC and does hereby subordinate the lien against Borrower on the property hereinabove described to the Trust Deed in favor of Lender that is being or has been recorded. Note holder and LLC declare that the lien of the Trust Deed in favor of Lender shall be and is in all respects a lien prior and superior to the lien of the Trust Deed in favor of Note Holder.

Rule

BK 2,336 PG 41

2. Approval of Loan Terms. The terms of the loan from Lender to LLC are as follows:
Loan for \$2,416,000.00 due on or before October 17, 2006 with interest due monthly at a rate of prime plus one-half percent floating. Note holder hereby approves such terms.

3. This Agreement shall inure to the benefit of Lender, its successors and assigns, and shall be binding on Note Holder and Borrower, their successors and assigns.

IN WITNESS WHEREOF, The parties have executed this Agreement on the day and date first written above.

Frank Stockdale Carney
Frank Stockdale Carney, Trustee for
the Trent Hitchcock Irrevocable Trust

Trent Hitchcock Co-Trustee
Trent Hitchcock, Trustee for
the Trent Hitchcock Irrevocable Trust

State of Tennessee
County of Shelby

Personally appeared before me, the undersigned authority in and for the said county and state, on this 20th day of October, 2005, within my jurisdiction, the within named Leonard C. Dunavant, Jr., Frank Stockdale Carney and Trent Hitchcock as Trustees for the Trent Hitchcock Irrevocable Trust, who acknowledged that they are acting on behalf of said Trust, and as its act and deed, they executed the above and foregoing instrument, after having been duly authorized so to do.

Anne E. Barton
Notary Public

My commission expires:
**MY COMMISSION EXPIRES
AUGUST 18, 2009**

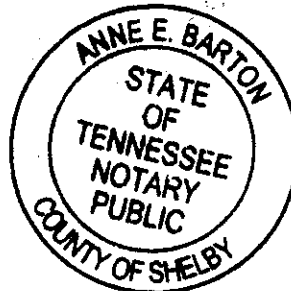


EXHIBIT A

Commencing at commonly accepted southwest corner of Section 27, Township 2 South, Range 7 West, Desoto County, Mississippi; thence North $00^{\circ}15'59''$ East, a distance of 4648.70 feet; thence South $89^{\circ}18'59''$ East along the north line of Lot 5 of North Rolling Hills subdivision, a distance of 257.80 feet; thence South $88^{\circ}31'04''$ East along the south line of the Doles property, a distance of 768.25 feet to the center of a drainage ditch being the POINT OF BEGINNING; thence South $88^{\circ}31'03''$ East along said south line, a distance of 716.26 feet to a steel fence post found being the southwest corner of Bridgemore subdivision, Section "C"; thence North $89^{\circ}41'28''$ East along the south line of said subdivision, a distance of 531.25 feet to a $1/2''$ rebar found being the northwest corner of the Benedict tract; thence South $07^{\circ}05'18''$ West along the west line of said tract, a distance of 1167.57 feet to a steel "t" post found in the north line of Pleasant Hill Road; thence South $69^{\circ}12'13''$ West along said north line, a distance of 66.42 feet to a $1/2''$ rebar found being the southeast corner of the Hamilton tract; thence North $06^{\circ}58'43''$ East along the east line of said tract, a distance of 784.23 feet to a steel "t" post found; thence North $83^{\circ}03'37''$ West along the north line of said tract, a distance of 260.27 feet to a 1" steel bar found; thence South $06^{\circ}58'43''$ West along the west line of said tract, a distance of 883.14 feet ($1/2''$ rebar found 2.97' south, on line) to the north line of said Pleasant Hill road (40' from center); thence along said north line the following calls: thence South $82^{\circ}53'02''$ West, a distance of 129.73 feet to the point of curvature of a tangent curve, concave to the north, having a radius of 1497.85 feet and a central angle of $09^{\circ}50'43''$; thence West along said curve, a distance of 257.38 feet, curving to the right; thence North $87^{\circ}16'15''$ West, a distance of 186.13 feet to the point of curvature of a tangent curve, concave to the south, having a radius of 2332.26 feet and a central angle of $03^{\circ}55'57''$; thence West along said curve, a distance of 160.08 feet, curving to the left; thence South $88^{\circ}47'47''$ West, a distance of 405.34 feet to the point of curvature of a tangent curve, concave to the south, having a radius of 966.61 feet and a central angle of $07^{\circ}21'46''$; thence West along said curve, a distance of 124.21 feet, curving to the left to the center of a drainage ditch; thence along said drainage ditch the following calls: thence North $06^{\circ}21'19''$ West, a distance of 581.30 feet; thence North $49^{\circ}25'31''$ East, a distance of 41.46 feet; thence North $33^{\circ}16'02''$ East, a distance of 87.82 feet; thence North $19^{\circ}35'08''$ West, a distance of 69.43 feet; thence North $41^{\circ}32'43''$ East, a distance of 96.65 feet; thence North $12^{\circ}28'22''$ East, a distance of 83.56 feet; thence North $60^{\circ}46'52''$ East, a distance of 144.28 feet; thence North $15^{\circ}29'36''$ East, a distance of 61.18 feet; thence North $71^{\circ}15'06''$ East, a distance of 45.65 feet; thence North $40^{\circ}53'44''$ East, a distance of 48.05 feet; thence North $19^{\circ}41'35''$ East, a distance of 72.69 feet; thence North $48^{\circ}48'58''$ East, a distance of 231.36 feet to the POINT OF BEGINNING; said described tract containing 40.73 Acres, more or less.

Indexing Instructions: Northwest Quarter of Section 27, Township 2 South, Range 7 West, Desoto County, Mississippi